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under Sections 301-303 of the Michigan Telecommunications Act, as amended, MCL 484.2301-484.2303.

2. Ameritech Corporation is the regional Bell operating company whose inservice State territories include Michigan. Its subsidiary, Michigan Bell Telephone Company d/b/a-Ameritech Michigan ("Ameritech"), is a telecommunications carrier licensed and certified to provide various telecommunications services in Michigan under the MTA, as amended. Ameritech's services include basic local exchange services and intraLATA toll services. Ameritech's Michigan office is at 444 Michigan Avenue, Detroit, Michigan 48226.

Interest of Complainant

3. Brooks is licensed as a basic local telephone service provider in competition with Michigan Bell Telephone Company d/b/a Ameritech Michigan in the Grand Rapids, Holland, Zeeland, Traverse City, Lansing, and Ann Arbor exchanges. Brooks currently provides local exchange service, directory assistance, 911, intraLATA toll, access, Centrex, and interconnection services as described in Brooks' Tariffs MPSC Nos. 1-7. As a competitor of Ameritech, Brooks is directly affected and damaged by the anticompetitive activity described in this complaint.

Jurisdiction

4. The MTA provides that the Commission has jurisdiction and authority to administer the MTA. A primary purpose of the MTA is to promote fair and effective telecommunications competition in the State of Michigan. In addition, section 203 of

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the MTA authorizes the Commission, upon receipt of a complaint, to conduct an investigation, hold hearings, and Issue its findings and order under the contested case provisions of the Michigan Administrative Procedures Act of 1969, MCL 24.201 et seq.

- 5. The Michigan statutory-sections to which this Complaint relates are sections 305, 310, 502, and 601, which provide in pertinent part as follows:
 - § 305. (1) A provider of basic local exchange service shall not do any of the following:
 - (a) Discriminate against another provider by refusing or delaying access service to the local exchange.
 - (b) Refuse or delay interconnections or provide inferior connections to another provider.
 - (c) Degrade the quality of access service provided to another provider.
 - (d) Impair the speed, quality, or efficiency of lines used by another provider.
 - (j) Refuse or delay access service by any person to another provider.
 - (m) Bundle unwanted services or products for sale or lease to another provider.
 - (n) Perform any act that has been prohibited by this act or an order of the commission.
 - (o) Sell services or products, extend credit, or offer other terms and conditions on more favorable terms to an affiliate of the provider than the provider offers to other providers.
 - §310(5). A provider of toll access service, whether under tariff or contract, shall offer the services under the same rates, terms and conditions, without unreasonable discrimination, to all providers. All pricing of special toll access services and switched access service, including volume discounts, shall be offered to all providers under the same rates, terms, and conditions. Until allowed by federal communications commission, volume discounts on switched access are prohibited under this subsection.

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- § 502. A provider of a telecommunication service shall not do any of the following:
- (a) Make a statement or representation, including the omission of material information, regarding the rates, terms, or conditions of providing a telecommunication service that is false, misleading, or deceptive.
- (b) Charge an end-user for a subscribed service that the end-user did not make an initial affirmative order. Failure to refuse an offered or proposed subscribed service is not an affirmative order for the service.
- § 601. If after notice and hearing the commission finds a person has violated this act, the commission shall order remedies and penalties to protect and make whole ratepayers and other persons who have suffered an economic loss as a result of the violation, including, but not limited to, 1 or more of the following:
- (a) Except as provided in subdivision (b), the person to pay a fine for the first offense of not less than \$ 1,000.00 nor more than \$ 20,000.00 per day that the person is in violation of this act, and for each subsequent offense, a fine of not less than \$ 2,000.00 nor more than \$ 40,000.00 per day.
- (b) If the provider has less than 250,000 access lines, the provider to pay a fine for the first offense of not less than \$ 200.00 or more than \$ 500.00 or more than \$ 1,000.00 per day.
- (c) A refund to the ratepayers of the provider of any collected excessive rates.
- (d) If the person is a licensee under this act, that the person's license is revoked.
- (e) Cease and desist orders.
- 6. Section 203(6) of the MTA provides: "If a hearing is required, the . . . Complainant shall publish a notice of hearing as required by the Commission within 7 days of the date the . . . Complaint was filed or as required by the Commission. The first hearing shall be held within 10 days after the date of the notice." [emphasis

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added]. Brooks will defer to the Commission to determine when notice should be published and the first hearing should be held.

Facts and Allegations

- 7. Brooks and Ameritech compete with one another within the same geographic service areas for customers for both local exchange and intraLATA toll service. Both Ameritech's and Brooks' local exchange customers have the option of selecting different carriers for intraLATA toll service. For example, a customer having Brooks as its carrier for local service may have AT&T chosen as its "dial 1" carrier for intraLATA toll traffic, or may "dial around" the preselected carrier by using another company's 10XXX access code.
- 8. Brooks' local exchange switch has "dual PIC" capability. That is, a customer may select a different carrier as its "dial 1" carrier for intraLATA toll calls than the carrier picked as its "dial 1" carrier for interLATA toll calls. For example, a local service customer of Brooks may choose Brooks (or another carrier, such as AT&T) as its "dial 1" carrier for intraLATA toll calls and choose MCI as its "dial 1" carrier for interLATA toll calls.
- 9. Ameritech has refused to allow customers of Brooks' local exchange services to elect Ameritech for intraLATA toll services.
- 10. Ameritech provides intraLATA toll service to customers of other local exchange companies that do not compete with Ameritech for local exchange service customers including customers of Allendale Telephone Company, the Drenthe Telephone Company, and the Borculo Telephone Company through

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contractual arrangements. Under these arrangements, end users served by these companies may utilize Ameritech to originate intraLATA toll calls. The independent telephone company bills the end user on behalf of Ameritech and remits the payments to Ameritech, based on contractual arrangements.

- 11. Ameritech's refusal to offer intral ATA tell service to Brooks' local service customers, while offering such services to customers of other local exchange service providers, constitutes anticompetitive activity in violation of the MTA. Specifically, Ameritech's refusal constitutes unlawful action by a provider of local exchange service in discriminating against other providers, in providing inferior connections to another provider, by impairing the speed, quality, or efficiency of lines used by another provider, and by refusing or delaying access service by any person to another provider, in violation of MCL 484.2305(1)(a), (b), (c), (d), and (j).
- 12. Ameritech's refusal to allow customers of Brooks' local services to select Ameritech as the provider of intraLATA toll service, while offering that service to customers of other providers through arrangements with those providers, constitutes a violation of the requirement under MCL 484.2310(5) to offer toll access services to all providers under the same rates, terms, and conditions.
- 13. In addition to wrongly denying access by Brooks' customers to intraLATA toll services, Ameritech and its distributors have engaged in anti-competitive sales activities with regard to intraLATA toll calling term plans, known as Ameritech Value Link Calling Plus Plans. These term agreements vary in length from twelve months to eighty-four months. The customer commits to a minimum monthly usage to secure a reduced rate for intraLATA toll calls. The minimum

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annual usage amounts vary from \$600/year (\$50/month) to \$12,000.00/year (\$1,000.00/month). If a customer fails to meet the minimum usage in any one month of the agreement, Ameritech bills the customer the difference to make up the minimum monthly commitment.

- 14. Several customers of Ameritech's Value Link Calling Plus Plans have expressed an interest in switching to Brooks as their local service carrier. However, Ameritech has refused to allow these customers to switch their local service to Brooks and maintain their Ameritech intraLATA toll service calling plans. Ameritech has a policy not to allow customers of Brooks' local exchange service to select Ameritech as their intraLATA toll service provider.
- service, the customer must terminate its Ameritech Value Link Calling Plus Plan and incur a penalty. Consequently, the customer who believes it has purchased only an intraLATA long distance calling plan has also, in effect, tied itself to solely using Ameritech's local exchange service as well. Ameritech has effectively foreclosed competition for local exchange service in a large segment of the market by systematically refusing to allow customers of competitors to maintain a Value Link Calling Plus Plan with any local service provider other than Ameritech. As a de facto tie-in between Ameritech's Value Link Calling Plus Plans and its local exchange service, Ameritech is unlawfully bundling unwanted services or products in violation of MCL 484.2305(1)(m). In addition, by failing to disclose to Value Link Calling Plus Plan customers that, by signing up for the plan, the customer is effectively limiting itself to Ameritech for local service, Ameritech has omitted

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material information regarding the terms and conditions of the Value Link Calling Plus Plan in a manner that is false, misleading, and deceptive, in violation of MCL 484.2502(a).

- 16. In addition, Ameritech has refused to accurately provide critical financial information to Value Link Calling Plus Plan customers considering changing to Brooks for local exchange services by misrepresenting or refusing to disclose the termination penalty of the Value Link Calling Plus Plan contracts. Through these actions, Ameritech has omitted material information regarding the terms and conditions of the Value Link Calling Plus Plan in a manner that is false, misleading, and deceptive, in violation of MCL 484.2502(a).
- 17. Several customers of Ameritech's Value Link Calling Plus Plans have indicated that, but for Ameritech's refusal to allow customers of Brooks' local exchange service to select Ameritech as its intraLATA toll service provider, they would become customers of Brooks for local exchange service. In addition, in order to attract customers, Brooks has incurred the expense of buying out customers' Value Link Calling Plus Plan contracts. Consequently, Brooks has been damaged in the form of lost revenue and profit. Ameritech's practices have cost Brooks over \$10,000.00 in credit adjustments to customer bills for Value Link Calling Plus Plan cancellation penalties. In addition, Brooks has been unable to sell to businesses with these long term agreements because of the high penalty to switch. The result is lost business totaling over 1,000 lines. The exact amount of the damages involved will depend on the number of lost customers and the time between these customers' decision not to engage Brooks for local exchange

switch to Brooks for local exchange service.

service because of Ameritech's anti-competitive activities and the date the Commission directs Ameritech to allow Value Link Calling Plus Plan customers to

- Demand-for Contested Case Hearing

- 18. Brooks respectfully demands a contested case hearing on this Complaint.
- 19. This complaint is supported by the testimony and exhibits of Martin W. Clift, Jr., and Bernie Schmidt.

Proposed Relief

WHEREFORE, Brooks respectfully asks that the Commission issue an order directing the following:

- 1. Order Ameritech to allow customers of Brooks' local exchange services to select Ameritech as their "dial 1" provider of intraLATA toll service, and specifically order that customers of Ameritech's Value Link Calling Plus Plans be allowed to continue the plans when switching to Brooks as their provider of local exchange service. In the alternative, the Commission should allow customers of Value Link Calling Plus Plans to terminate the plans without penalty when switching local service providers if Ameritech does not allow those customers of Brooks to select Ameritech as their intraLATA toll service provider.
 - 2. Order Ameritech to cease and desist the practices set forth herein.
- 3. Order Ameritech to refund termination charges paid for termination of Value Link Calling Plus Plans where the customer switched to Brooks for local

exchange service and was unable to complete the Value Link Cailing Plus Plan because of Ameritech's policy of not allowing Brooks' customers to select Ameritech as the customer's intraLATA toll service provider.

- 4. Order Ameritech to make Brooks economically whole for the damages suffered as a result of the violations set forth in this complaint.
- 5. Assess penalties against Respondents for violation of §§ 305, 310, and 502 of the MTA under the provisions of § 601.
- 6. Grant such further relief as the Commission may deem to be appropriate.

Respectfully submitted,

Brooks Fiber Communications of Michigan, Inc.

Dated: March 21, 1997

Received:

Larry VanderVeen, its Regional Vice-

President

Laure lander Ken !

BUTZEL LONG

By:

William R. Ralls (P19203)

William R. Halls

Leland R. Rosier (P33827) 118 West Ottawa Street

Lansing, Michigan 48933

(517) 372-6622

(517) 372-6672 (FAX)

Attorneys for Brooks Fiber Communications of Michigan,

Inc.

Dated: March 21, 1997

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imeritech

444 Michigan Avenue Room 1750 Detroit, MI 48226 Office: 315-223-8033 Fine: 212 408 0206

Craig A. Anderson Coursel

April 18, 1997

Ms. Dorothy Wideman Executive Secretary Michigan Public Service Commission P.O. Box 30221 Lansing, MI 48909

Re: MPSC Case No. U-11350.

Dear Ms. Wideman:

Enclosed for filing in the above-referenced case is an original and fifteen copies of the Answer and Affirmative Defenses of Ameritech Michigan.

Very truly yours,

Craig a. andusm

Enclosure

cc: All Parties of Record

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the complaint of BROOKS FIBER) COMMUNICATIONS OF MICHIGAN, INC. against AMERITECH CORPORATION and MICHIGAN BELL TELEPHONE CO., d/b/a AMERITECH MICHIGAN, regarding discriminatory practices as it relates to the termination of intraLATA toll traffic.

Case No. U-11350

ANSWER AND AFFIRMATIVE DEFENSES OF AMERITECH MICHIGAN

Ameritech Michigan, for its answer to the following numbered paragraphs of the complaint of Brooks Fiber Communications of Michigan, Inc. (Brooks Fiber) filed herein on March 21, 1997, states as follows:

- 1. Ameritech Michigan does not contest the allegations in Paragraph 1 of Brooks Fiber's complaint.
- 2. Ameritech Michigan does not contest the allegations in Paragraph 2 of Brooks Fiber's complaint.
- 3. Ameritech Michigan denies that it has engaged in any anticompetitive activity as alleged by Brooks Fiber in its complaint or that Brooks

¹ Michigan Bell Telephone Company, a Michigan corporation, is a wholly owned subsidiary of Amoritach Corporation, which owns the former Bell operating companies in the states of Michigan. Illinois, Wisconsin, Indiana, and Ohio. Michigan Bell offers telecommunications services and operates under the names "Ameritoch" and "Ameritech Michigan" (used interchangeably herein), pursuant to assumed name filings with the state of Michigan.

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> Fiber is directly affected by any anticompetitive activity on the part of Ameritech Michigan, and does not contest the remaining allegations therein.

- 4. Ameritech Michigan admits that under the Michigan Telecommunications Act (MTA), the Commission has specific jurisdiction and authority as described in that Act, and admits that one of the purposes of the MI'A is to promote fair and effective telecommunications competition in the state of Michigan. Ameritech Michigan also admits that Section 203 of MTA addresses the authority of the Commission to consider complaints filed with the Commission and denies all other allegations therein for the reason that they are conclusions of law and fact.
- 5. Ameritech Michigan admits that Brooks Fiber has quoted portions of the MTA in its complaint, but denies all other allegations therein for the reason that they are conclusions of law and fact.
- 6. Ameritech Michigan admits that Brooks Fiber has quoted portions of the MTA in its complaint, but denies all other allegations therein for the reason that they are conclusions of law and fact.
- Ameritech Michigan admits that Brooks Fiber and Ameritech Michigan compete with one another within their respective geographic service areas for customers for both local exchange services and intraLATA toll services, and that both Brooks Fiber's and Ameritech Michigan's local exchange customers have the option of selecting different carriers for intral.ATA toll service. Ameritech Michigan neither admits nor denies the allegations regarding the example

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described by Brooks Fiber, lacking information sufficient to form a belief as to the truth thereof of the allegations therein.

- 8. Ameritech Michigan neither admits nor denies the allegation of Brooks Fiber therein, lacking information sufficient to form a belief as to the truth thereof.
- Ameritach Michigan states that it does not currently offer 9. intraLATA toll services to end user customers of Brooks Fiber's basic local exchange service. In accordance with the Michigan Telecommunications Act (MTA, MCL 484.2101, et seq.) and MPSC rulings. Ameritech Michigan is not obligated to provide intraLATA toll services to end user customers of other local exchange providers with 2-PIC capability. Ameritech Michigan denies all other allegations therein for the reason that they are untrue and are conclusions of law and fact.
- 10. Ameritech Michigan states that it does provide intraLATA toll service to end user customers of certain independent telephone companies in Michigan pursuant to the primary exchange carrier/secondary exchange carrier (FEC/SEC) relationship (see, e.g., the December 21, 1989 Commission orders in Case Nos. U-9004, U-9006, and U-9007). Ameritech Michigan denies that it is obligated in any way to extend such relationship to Brooks Fiber or any other competitors providing basic local exchange service in Michigan who are not currently party to the existing PEC/SEC relationship for the reason that such allegations are untrue and are conclusions of law and fact. Ameritech Michigan also states that Brooks Fiber has not requested arrangements with Ameritech Michigan which are similar or comparable to the existing PEC/SEC relationship.

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Specifically, Brooks Fiber has not requested that Ameritech Michigan perform the role of a primary exchange carrier or that Brooks Fiber perform the role of a secondary exchange carrier in the existing PEC/SEC relationship. Brooks Fiber is an intral ATA toll provider, unlike the secondary exchange carriers and, under Brooks Fiber's proposal, Ameritech Michigan would not be the presubscribed carrier for 1+ intraLATA traffic of all of Brooks Fiber's end users, as is the case with the existing PEC/SEC relationship. Similarly, Brooks Fiber has not indicated that it is willing to enter into any arrangements with Ameritech Michigan for the marketing or sale of Ameritech Michigan's intraLATA toll, products, and services or for the billing of such services. Brooks Fiber markets and offers its own intraLATA toll, products and services, and the intraLATA toll, products, and services of other carriers, to its end user customers of basic local exchange service; thus, Brooks Fiber's end user customers have full service options afforded them. Ameritech Michigan also states that this Commission has already recognized in its March 10, 1995 order in Case No. U-10138 that when another provider of basic local exchange service implements intraLATA dialing parity via "2-PIC" technology, as Brooks Fiber has claimed it has done in its complaint, that participation in offering intral.ATA toll services to end user customers of that local exchange provider is voluntary on an exchange-by-exchange basis. (See March 10, 1995 Order in Case No. U-10138, p. 35) At this time, Ameritech Michigan has not made a business decision to voluntarily participate as an intraLATA toll provider to end user customers of Brooks Fiber's basic local exchange service, which management decision is solely within the discretion of Ameritech Michigan. Ameritech Michigan

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states that it is not otherwise obligated by statute or any outstanding Commission orders to extend its offering of intraLATA toll services to end user customers of Brooks Fiber's basic local exchange service. Ameritech Michigan denies all other allegations in this paragraph for the reason that they are untrue and are conclusions of law and fact.

- 11. Ameritach Michigan denies the allegations therein for the reason that they are untrue and are conclusions of law and fact.
- 12. Ameritach Michigan denies the allegations therein for the reason that they are untrue and constitute conclusions of law and fact.
- 18. Ameritech Michigan states that it, like other providers of competitive intraLATA toll services in Michigan, offers volume and term discount offerings of services under contracts to customers, some of which are known as Ameritech's ValueLink Calling Plus Plans. Under these types of volume and term discount contracts, customers obtain a discounted rate based upon the commitment to purchase specific volumes of services or commitment to purchase services for a specific period. Such contracts frequently provide that if a customer fails to meet the minimum required usage in a particular period, that the customer agrees to pay an amount equal to the rates for the minimum commitment of the customer. Ameritech Michigan states that these types of contracts are frequently offered by providers in offering intraLATA toll services in Michigan. Ameritech Michigan denies all other allegations in the paragraph for the reason that they are untrue and are conclusions of law and fact.

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14. Ameritech Michigan states that some customers who have elected to switch to Brooks Fiber for basic local exchange service have had contracts with Ameritech Michigan for intraLATA toll services such as those described in the preceding paragraph. Ameritech Michigan neither admits nor denies Brooks Fiber's allegation about other customers who may have "expressed an interest in switching to Brooks as their local exchange carrier" for the reason that Ameritech Michigan lacks information sufficient to form a belief as to the truth of this allegation. Ameritech Michigan admits that it does not currently provide intraLATA toll service to end user customers of Brooks Fiber's basic local exchange service, as more fully set forth in its answer to Paragraph 10. Ameritech Michigan denies all other allegations therein for the reason that they are untrue and are conclusions of law and fact.

15. Ameritech Michigan denies that its contracts for intral ATA toll services, as described herein, involve any "penalties" for the reason that such allegation is untrue and is a conclusion of law and fact. Ameritech Michigan states that its agreements with customers for the provision of intraLATA toll services involve minimum revenue commitments or termination liability in the event of early termination by the customer contrary to the terms of the agreement, but specifically denies that such provisions constitute a "penalty" as alleged by Brooks Fiber for the reason that such allegations are untrue and are conclusions of law and fact. Ameritech denies all other allegations therein for the reason that they are untrue and are conclusions of law and fact.

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16. Ameritech Michigan denies all allegations therein for the reason that they are untrue and are conclusions of law and fact.

- 17. Ameritech Michigan neither admits nor denies the allegations as to statements made by potential customers of Brooks hiber's local exchange service to Brooks Fiber therein for the reason that it lacks information sufficient to form a belief as to the truth of such allegations. Ameritech Michigan also neither admits nor denies the allegations of Brooks Fiber regarding alleged incurred expenses in paying termination liability of customers of Ameritech Michigan's intraLATA toll contracts for the reason Ameritech lacks information sufficient to form a belief as to the truth of such allegations. Ameritech Michigan denies all other allegations therein for the reason that they are untrue and are conclusions of law and fact.
 - 18. Ameritech Michigan admits that Brooks Fiber has requested a contested case hearing herein.
- Ameritech Michigan admits that Brooks Fiber has attached 19. testimony and exhibits from Martin W. Clift and Bernie Schmidt.

AFFIRMATIVE DEFENSES

Ameritech Michigan hereby avers, alleges, and demands answer to the following affirmative defenses to Brooks Fiber's complaint:

Ameritech Michigan affirmatively states and realleges the 1. allegations made in Paragraphs 1 through 19 hereof as though fully set forth herein by way of affirmative defenses to Brooks Fiber's complaint.

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2. Brooks Fiber lacks standing to assert claims in this complaint relating to Ameritech Michigan's provision of intraLATA toll service to its customers including, but not limited to, allegations regarding allegedly improper terms of such contracts between Ameritech Michigan and its customers or alleged failure to disclose information to such customers.

- 3. This Commission lacks jurisdiction with regard to claims made by Brooks Fiber concerning Ameritech Michigan's contracts with its customers for intraLATA toll services and with regard to whether Ameritech Michigan's management makes a decision to offer or not to offer intraLATA toll service to end user customers of Brooks Fiber's basic local exchange customers at the present time.
- 4. Ameritech Michigan states that Brooks Fiber is not entitled to obtain intral.ATA toll services for its end user customers pursuant to the former PEC/SEC arrangement which exists between Ameritech Michigan and certain independent telephone companies, such as Allendale Telephone Company, Drenthe Telephone Company, and Borculo Telephone Company. In prior proceedings before this Commission. Brooks Fiber has specifically stated that it is a primary exchange carrier. Furthermore, such arrangements are not applicable in situations involving a local exchange provider who has implemented intraLATA dialing parity with "2-PIC" technology. The Commission has already determined that participation of intraLATA toll providers, such as Ameritech Michigan, in offering their services to end user customers of local exchange providers who have implemented 2-PIO technology (as Brooks Fiber has claimed to have done) is voluntary on an exchange-

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by-exchange basis. (See the MPSC's Order in Case No. U-10138, March 10, 1995, p. 35)

- 5. Ameritach Michigan states that it believes that Brooks Fiber has asserted the issue raised in this complaint in an attempt to revisit its claim for abrogation of existing customer contracts, or "fresh look," as asserted but rejected by the Commission in its February 29, 1995 order, MPSC Case No. U-10647, the application of Brooks Fiber's predecessor. City Signal, for establishment of interconnection arrangements with Ameritech Michigan, and is thus barred from relitigating this issue herein.
- Ameritech Michigan states that its actions are in compliance with the Michigan Telecommunications Act, 1991 PA 179, as amended, and Commission orders relating to the matters set forth in Brooks Fiber's complaint.

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WHEREFORE, Ameritach Michigan requests that Brooks Fiber's complaint be denied, and that the Commission grant such further relief as it may deem to be appropriate under the circumstances.

Hespectfully submitted,

AMERITECH MICHIGAN

CRAIG AGANDERSON (P28968) 444 Michigan Avenue, Room 1750 Detroit, Michigan 48226 (313) 223-8033

PAUL V. LA SCHIAZZA Vice President - Regulatory Ameritech Michigan

DATED: April 18, 1997

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the complaint of BROOKS

FIBER COMMUNICATIONS OF MIGHIGAN,
INC. Against AMERITECH CORPORATION
and MICHIGAN BELL TELEPHONE CO.,
d/b/a AMERITECH MICHIGAN, regarding
discriminatory practices in compensation
arrangements for cellular/paging traffic
)

COMPLAINT OF BROOKS FIBER COMMUNICATIONS

Respectfully submitted,

BUTZEL LONG
William R. Ralls, Esq.
Leland R. Rosier, Esq.
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Lansing, Michigan 48933
(517) 372-6622
(517) 372-6672 (FAX)
Attorneys for Brooks Fiber
Communications of Michigan,
Inc.

Dated: April 23, 1997

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the complaint of BROOKS

FIBER COMMUNICATIONS OF MICHIGAN,
INC. Against AMERITECH CORPORATION

and MICHIGAN BELL TELEPHONE CO.,

d/b/a AMERITECH MICHIGAN, regarding
discriminatory practices in compensation
arrangements for cellular/paging traffic
)

Gase No. U-11370

COMPLAINT OF BROOKS FIBER COMMUNICATIONS

This is a Complaint by Brooks Fiber Communications of Michigan, Inc. ("Brooks" or "Complainant"), by and through its attorneys, Butzel Long, pursuant to Section 203 of the Michigan Telecommunications Act, MCL 484.2101 et seq. ("MTA"), and Rules 501 et seq. of the Rules of Practice and Procedure Before the Commission, MAC R 460.17501 et seq.. In support of its complaint, Brooks states as follows:

Parties

1. The Complainant, Brooks Fiber Communications of Michigan, Inc. ("Brooks") is a Michigan corporation with its principal office at 2855 Oak Industrial Dr., NE, Grand Rapids, Michigan 49506. Brooks Fiber Communications of Michigan, Inc.'s parent company, Brooks Fiber Properties, Inc., has its national headquarters at 425 Woods Mill Road South, Suite 300, Town and Country, Missouri 63017. Brooks is licensed as a provider of basic local exchange service within the State of Michigan

under Sections 301-303 of the Michigan Telecommunications Act, as amended, MCL 484.2301-484.2303.

2. Ameritech Corporation is the regional Bell operating company whose inservice State territories include Michigan. Its subsidiary, Michigan Bell Telephone Company d/b/a Ameritech Michigan ("Ameritech"), is a telecommunications carrier licensed and certified to provide various telecommunications services in Michigan under the MTA, as amended. Ameritech's services include basic local exchange services and intraLATA toil services. Ameritech's Michigan office is at 444 Michigan Avenue, Detroit, Michigan 48226.

Interest of Complainant

3. Brooks is licensed as a basic local telephone service provider in competition with Michigan Bell Telephone Company d/b/a Ameritech Michigan in the Grand Rapids, Holland, Zeeland, Traverse City, Lansing, and Ann Arbor exchanges. Brooks currently provides local exchange service, directory assistance, 911, intraLATA toll, access, Centrex, and interconnection services as described in Brooks' Tariffs MPSC Nos. 1-7. As a competitor of Ameritech, Brooks is directly affected and damaged by the anticompetitive activity described in this complaint.

Jurisdiction

4. The MTA provides that the Commission has jurisdiction and authority to administer the MTA. A primary purpose of the MTA is to promote fair and effective telecommunications competition in the State of Michigan. In addition, section 203 of

the MTA authorizes the Commission, upon receipt of a complaint, to conduct an investigation, hold hearings, and issue its findings and order under the contested case provisions of the Michigan Administrative Procedures Act of 1969, MCL 24.201 et seq.

- 5. The Michigan statutory sections to which this Complaint relates are sections 305, 310, and 601, which provide in pertinent part as follows:
 - § 305. (1) A provider of basic local exchange service shall not do any of the following:
 - (a) Discriminate against another provider by refusing or delaying access service to the local exchange.
 - (b) Refuse or delay interconnections or provide inferior connections to another provider.
 - (c) Degrade the quality of access service provided to another provider.
 - (d) Impair the speed, quality, or efficiency of lines used by another provider.
 - (j) Refuse or delay access service by any person to another provider.
 - (n) Perform any act that has been prohibited by this act or an order of the commission.
 - (o) Sell services or products, extend credit, or offer other terms and conditions on more favorable terms to an affiliate of the provider than the provider offers to other providers.
 - §310(5). A provider of toll access service, whether under tariff or contract, shall offer the services under the same rates, terms and conditions, without unreasonable discrimination, to all providers. All pricing of special toll access services and switched access service, including volume discounts, shall be offered to all providers under the same rates, terms, and conditions. Until allowed by federal communications commission, volume discounts on switched access are prohibited under this subsection.
 - § 601. If after notice and hearing the commission finds a person has violated this act, the commission shall order remedles and penalties to